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U. S. DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION

1942 WHEAT CROP INSURANCE REGULATIONS



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1942 WHEAT CROP INSURANCE REGULATIONS

By virtue of the authority vested in the Federal Crop Insurance Corporation by the Federal Crop Insurance Act, approved February 16, 1938, as amended, these regulations are hereby published and prescribed to be in force and effect, with respect to the 1942 Wheat Crop Insurance Program, until amended or superseded by regulations hereafter made.

The Federal Crop Insurance Program for wheat is part of the general program of the United States Department of Agriculture administered for the benefit of agriculture.

PART I

Definitions

SECTION 1. *Meaning of terms.*—For the purposes of the 1942 Wheat Crop Insurance Program, the term—

Application means an application for an insurance contract properly executed on the form (and the continuation sheet thereto whenever applicable) prescribed by the Corporation.

Application closing date means the final date established by the Corporation for the submission of an application to the office of the county committee or the beginning of the seeding of the wheat crop on any of the farms covered by the application, whichever occurs first. The final date established by the Corporation for the submission of an application is (1) August 30, 1941 where winter wheat is to be seeded on any farm covered by the application and (2) February 28, 1942, where spring wheat only is to be seeded on all farms covered by the application.

Average yield means the wheat yield per acre established by the Corporation for the farm for the 1942 Wheat Crop Insurance Program.

Basic market means the market designated by the Corporation for the computation of the cash equivalent of note payments, deposits, refunds, or indemnities for the area in which the farms covered by the insurance contract are located: *Provided, however,* That if the Corporation finds that the basic market designated in connection with any such computation is inapplicable due to changes in market conditions, the Corporation shall designate another basic market in connection with any other of such computations.

Board means the Board of Directors of the Corporation.

Branch manager means the representative of the Corporation in charge of a branch office of the Corporation.

Corporation means the Federal Crop Insurance Corporation.

County means a political or civil division or local administrative area of a State.

County committee means the group of persons elected within any county to assist in the administration of the Agricultural Conservation Program in such county.

Crop year means the period within which a wheat crop is normally seeded and harvested. A crop year shall be designated by reference to the calendar year in which the wheat crop is normally harvested.

Department means the United States Department of Agriculture.

Farm means all adjacent or nearby farm land under the same ownership which is operated by one person, including also any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops, and all of which

is used as the basis for the establishment of the average yield and premium rate: *Provided, however,* That (1) each field-rented tract (in the case of one or more field-rented tracts operated as a part of the farm) and (2) that portion of the farm which is always irrigated and that portion which is never irrigated (in the case of a farm containing both irrigated and non irrigated land but not including a farm on which special practices are followed) shall be considered a separate farm for the purpose of determining the premium, the insured production, and the total production of wheat for the farm. A farm shall be regarded as located in the county in which the principal dwelling is situated, or, if there is no dwelling thereon, it shall be regarded as located in the county in which the major portion of the farm is located.

Harvesting means any severance of mature wheat.

Harvesting as grain means any severance of mature wheat for the purpose of using the same for grain, whether or not threshed.

Insurance contract means the contract of insurance entered into between the applicant and the Corporation by virtue of the application for insurance, the required notice of seeding, and these regulations and amendments thereto.

Insured percentage for the insurance contract means the percentage of the average yield for the farms covered by the insurance contract, and shall be either 50 or 75 percent. The insured percentage must be the same for all farms covered by the insurance contract.

Insured production means the maximum number of bushels for which the insured may be indemnified with respect to each farm covered by the insurance contract.

Landlord or owner means a person who owns land and rents such land to another person or operates such land.

Manager means the Manager of the Corporation.

The maximum insurable acreage for a farm shall be the wheat acreage allotment under the

1942 Agricultural Conservation Program or 15 acres, whichever is larger, except when two or more farms under the provisions of these regulations constitute one farm under the 1942 Agricultural Conservation Program, in which case the maximum insurable acreage for each farm as defined in these regulations shall be the same proportion of the wheat acreage thereon, as the acreage allotment of the farm as constituted under the 1942 Agricultural Conservation Program or 15 acres, whichever is larger, is of the total acreage of the wheat crop on such farm.

Note means the agreement, as set forth in the application, containing the promise of the applicant to pay to the Corporation an amount equal to the premium for the insurance contract. Such note shall not bear interest either before or after maturity.

Person means an individual, partnership, association, corporation (including private or governmental), estate, or trust, or other legal entity, and, wherever applicable, a State, a political subdivision of a State, or any governmental agency.

Price differential with respect to each farm covered by the insurance contract means the amount per bushel fixed by the Corporation to represent the difference in wheat prices for the applicable basic market and the county or subdivision thereof applicable to such farm.

Secretary means the Secretary of Agriculture of the United States.

Sharecropper means a person who works a farm, in whole or in part, under the general supervision of the operator and is entitled to receive for his labor a share of the crop produced thereon or its proceeds.

State committee means the group of persons appointed by the Secretary within any State to assist in administering the Agricultural Conservation Program in such State.

Tenant means a person other than a sharecropper who rents land from another person (for cash, a fixed commodity payment, or a share of the crops or their proceeds) and is

entitled under a written or oral lease or agreement to receive all or a share of the proceeds of the crops produced thereon or their proceeds.

Wheat crop means all seeded winter wheat and spring wheat on the farm in any crop year but does not include volunteer or self-seeded wheat, succotash, or true-type winter wheat seeded in the spring.

PART II

Conditions Governing Applications for Insurance, the Insurance Contract, and the Insurance Period

SECTION 20. Application for insurance.—(a) Application for insurance shall be made on a form prescribed for such purpose by the Corporation. Any person who has or expects to have an interest as landlord, owner, tenant, or sharecropper in the wheat crop on one or more farms located in a county may apply for insurance to cover such interest therein.

(b) The application shall cover all of the farms in the county in which the applicant has an interest in the wheat crop at the time such application is submitted to the office of the county committee and any other farms in the county in which the applicant has an interest in the wheat crop at the time of the beginning of the seeding of such wheat crop.

(c) The application, which includes the note for payment of the premium as a part thereof, must be executed and submitted to the office of the county committee on or before the application closing date. In the event the applicant does not agree to participate in the 1942 Agricultural Conservation Program, payment on the note shall be made at the time the application is submitted of an amount representing the premium on the basis of the maximum insurable acreage, for each and every farm listed on the application.

SECTION 21. Acceptance of applications by the Corporation.—Acceptance of an application by the county committee shall be acceptance on

behalf of the Corporation: *Provided, however,* That the average yields and the premium rates specified in the application are in accordance with the average yields and the premium rates approved by the Corporation for the farms covered by such application; and *Provided, further,* That such application is submitted in accordance with the provisions of the application, these regulations, and any amendments thereto. Acceptance of the application shall be evidenced by the delivery to the applicant of a copy of the application signed by a member of the county committee for such committee.

The right is reserved to reject any application for insurance, or to limit the insured percentage to 50 percent of the average yield for the farm or farms covered by the insurance contract, in any case where the county committee determines that the risks to be incurred under the insurance contract warrant either such action.

SECTION 22. Insurance coverage.—The insurance shall attach, with respect to each farm covered by the insurance contract, only to the interest which the applicant has in the wheat crop on the farm at the time of the beginning of the seeding of the wheat crop on the farm.

SECTION 23. Period of insurance.—Insurance of the wheat crop or crops covered by the insurance contract shall attach when the wheat is seeded.

The insurance shall cease with respect to any portion of the wheat crop or crops covered by the insurance contract upon threshing (unless combined, field-sacked, and remaining in the field, in which event the insurance shall not cease for 120 hours thereafter) or removal from the farm, but in no event later than October 31, 1942, unless such time is extended in writing by the Corporation.

SECTION 24. Notice of seeding.—After the acreage of wheat seeded on the farm or farms under the insurance contract has been ascertained, the county committee shall execute a Notice of Seeding with respect to each farm,

on a form prescribed by the Corporation, showing, as a result of the seeding of the wheat crop, the premium payable, the insured's interest in the wheat crop at the beginning of the seeding of such wheat crop, and the insured production for the farm under the insurance contract. Where the farm is one not listed by the insured on his application for insurance, such notice shall also specify the average yield and premium rate per acre for the farm. A copy of such notice shall be delivered to the insured.

SECTION 25. Fraud, misrepresentation or failure to comply with terms of contract.—The entire insurance contract shall be voidable and the premium forfeited, at the election of the Corporation, if the insured has concealed or misrepresented, or conceals or misrepresents, any material fact or circumstance concerning the insurance contract or the subject thereof, or if the interest of the insured in the wheat crop or crops covered thereunder be not truly stated in the application, or if the insured is guilty of any fraud or makes any false statements relating to the insurance contract or the subject thereof, whether before or after a loss, or if the insured shall neglect to use all reasonable means to develop, care for, and save the entire wheat crop or crops covered by the insurance contract, whether before or after damage has occurred, or if the insured fails to give any notice to the Corporation or to furnish proof or proofs of loss within the time and in the manner prescribed in the insurance contract, or fails to comply with any of the terms, conditions, or covenants of the insurance contract.

The voidance hereunder of any insurance contract by the Corporation shall not alter or waive any right or remedy of the Corporation under the terms of the insurance contract, nor shall the authority granted by the insured be in any way affected, with respect to the means of effecting collection of the note, if any amount be due thereon at the time of such voidance, whether before or after maturity.

SECTION 26. Modification of insurance contract.—No notice to any county committee or

representative of the Corporation or knowledge possessed by any such county committee or representative or by any other person shall be held to effect a waiver or change in any part of the insurance contract or estop the Corporation from asserting any right or power under such contract; nor shall the terms of such contract be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation; nor shall any provision or condition of the insurance contract or any forfeiture be held to be waived by any delay or omission by the Corporation in exercising its rights and powers hereunder or by any requirement, act, or proceeding, on the part of the Corporation or of its representatives relating to appraisal or to any examination herein provided for.

PART III

Time and Manner of Payment of Premiums and Notes and Tender of Deposits

SECTION 30. Premium for the farm and for the insurance contract.—(a) The premium for each farm covered by the insurance contract shall be the product of the number of acres of the wheat crop seeded on such farm not in excess of the maximum insurable acreage, the premium rate per acre, and the applicant's interest in the wheat crop, except as provided in paragraph (b) of this section.

(b) If (1) special practices, (2) different percentage interests in different parts of the wheat crop on the farm, or (3) one or more tracts comprising the farm varies widely from the remainder of the farm in soil type, topography, productive capacity, or risk of loss, for which separate average yields and premium rates are established, are accepted as the basis for insurance for any farm covered by the insurance contract, the premium for such farm shall be the sum of the premiums computed separately in accordance with the formula stated in paragraph (a) of this section for (1) each special practice, (2) each part of the wheat crop in

which the applicant's percentage interest is different, or (3) each tract and for the remainder of the farm where one or more tracts varies widely from the remainder of the farm in soil type, topography, productive capacity, or risk of loss, for which separate average yields and premium rates are established, as the case may be: *Provided, however,* That if the total acreage seeded on such farm is in excess of the maximum insurable acreage, the number of acres used in computing the premium for the farm in the case of items (1), (2), and (3) described above, shall be the same percentage of the acreage seeded for each of items (1), (2), and (3) described above, as the maximum insurable acreage for such farm is of the total acreage seeded on such farm.

(c) The premium for the insurance contract shall be the total of the premiums for the farms covered by the insurance contract.

SECTION 31. Minimum premium for the farm and for the insurance contract.—(a) The minimum premium for each farm covered by the insurance contract shall not be less than the product of the number of acres of the wheat crop seeded, not in excess of the maximum insurable acreage, the minimum premium rate per acre, as established by the Corporation, and the applicant's interest in the wheat crop.

(b) The minimum premium for any insurance contract shall be one bushel of wheat.

SECTION 32. Manner of payment of premiums.—The premium for the insurance contract shall be paid by the execution and payment of the note.

SECTION 33. Time, place, and manner of making note payments.—(a) Notes are payable on or before their maturity date. Note payments may be made, in part or in full, at any time prior to the maturity date of the note except as otherwise provided in paragraph (c) of section 20 of these regulations.

(b) Note payments shall be made at the office of the county committee for the county in which the farm or farms covered by the insurance contract are located.

(c) Payments on notes on or before maturity may be made in wheat or in the cash equivalent. Payments on notes after maturity shall be made only in the cash equivalent.

SECTION 34. Note payments in cash equivalent.—(a) Payment of a note in the cash equivalent shall be made by cash or by check, money order, or bank draft, payable to the order of the Treasurer of the United States. All checks and drafts will be accepted subject to collection and payments tendered shall not be regarded as paid unless collection is made.

(b) In the case of full payment of any note in one payment, the cash equivalent of the note shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting the premium for the insurance contract by an amount determined by subtracting the price differential from the price of such wheat at the applicable basic market. The price of such wheat at the basic market shall be the price, as determined by the Corporation, for the day on which the payment is made, except that if such payment is made after the maturity date of such note, the price shall be that applicable for the day on which such note matures.

(c) In the case of one or more partial payments made on any note, there shall be applied toward payment of the note for each such payment a number of bushels determined by dividing the amount of such payment by an amount determined by subtracting the price differential from the price of wheat at the applicable basic market for the applicable class and grade constituting the premium for the insurance contract. The price of such wheat at the basic market shall be the price, as determined by the Corporation, for the day on which the payment is made, except that if such payment is made after the maturity date of such note, the price shall be that applicable for the day on which such note matures.

(d) At maturity the amount due on any note shall be determined by multiplying the number of bushels of wheat of the applicable class and

grade constituting the premium for the insurance contract, less the total number of bushels of wheat applied toward payment of the note as partial payments, if any, by an amount determined by subtracting the price differential from the price of such wheat at the applicable basic market. The price of such wheat at the basic market shall be the price, as determined by the Corporation, for the day on which such note matures.

SECTION 35. Note payments in wheat.—(a) Payment of a note in wheat shall be made by the delivery of a warehouse receipt or some other instrument acceptable to the Corporation (hereinafter referred to as warehouse receipt) representing salable wheat. Note payments in wheat, with the exception of the application of deposits, as provided in section 38 of these regulations, shall not be accepted unless made on or before the maturity date of such notes.

(b) The county committee, on behalf of the Corporation, shall sell all warehouse receipts tendered and the net proceeds received from the sale of the warehouse receipts shall be applied toward payment of the note in terms of bushels of wheat. For each such note payment, there shall be applied toward payment of the note, a number of bushels of wheat determined by dividing the amount of such net proceeds by an amount determined by subtracting the price differential from the price of wheat at the applicable basic market for the applicable class and grade constituting the premium for the insurance contract. The price of such wheat at the basic market shall be the price, as determined by the Corporation, for the day on which such warehouse receipt was tendered to the county committee.

(c) If at any time the Corporation's title to such receipt or the wheat represented thereby is questioned by any person, then, unless the question of title to or charges against such wheat is immediately settled without cost to the Corporation, the Corporation shall not be liable for the payment of any indemnity under

the insurance contract with respect to which such receipt was tendered in payment of the note, and shall not be liable for a deposit or refund because of the tendering of such receipt. Any payment of indemnity or refund of payment made under the insurance contract with respect to which such receipt was tendered in payment of the note, and any refund of deposit, shall be returned to the Corporation without limiting any other right or remedy of the Corporation. Any charges or cost to the Corporation in connection with such warehouse receipt, or the wheat represented thereby, may be set off against any indemnity which may be or may become due under any insurance contract entered into with the applicant or in which he may have an interest. Settlements necessitated by the transfer of receipts failing to convey title to the receipt and the wheat represented thereby shall be on the basis of the cash equivalent applicable for the day when such receipt was tendered to the Corporation.

SECTION 36. Note payments by application of 1941 crop year deposits.—Any amount which is on deposit with the Corporation pursuant to the 1941 Wheat Crop Insurance Regulations, as amended, shall be applied in term of bushels in payment of the note with respect to any insurance for which the depositor's application is accepted. Any amount of such deposit in excess of the amount required for payment of the note or notes for such insurance shall be refunded to the depositor in accordance with the 1941 Wheat Crop Insurance Regulations, as amended. Any excess payment made by means of the application of any such deposit shall be refunded in accordance with section 40 of these regulations.

SECTION 37. Deposits to be applied toward payment of notes for future crop years.—(a) Any person who submits an application and, at the time of such submission, makes a payment on the related note in an amount to cover not less than the number of bushels required as premium on the basis of the maximum insurable acreage for each and every farm listed on such appli-

cation, may tender, at such time only, a deposit of wheat or cash in an amount, not in excess of the amount paid on the note, toward the payment of notes for the next succeeding crop year. The Corporation reserves the right to reject the tender of any deposit.

The acceptance of any deposit by the Corporation shall not obligate the Corporation to insure the interest of the depositor in any future insurance program, and any insurance contract for which such deposit is applied in payment of the note will be subject to the provisions of the regulations applicable with respect to such insurance contract.

An insured shall have no title or interest in any wheat (including any wheat deposited) held by the Corporation. The Corporation shall be liable to the insured only for the cash equivalent of the quantity of wheat credited or to be credited to the insured's account, such cash equivalent to be determined in accordance with the provisions of section 40 of these regulations.

(b) Deposits tendered in the cash equivalent shall be made in the manner as provided in paragraph (a) of section 34 of these regulations for note payments in the cash equivalent.

(c) Deposits tendered in wheat shall be made in the manner as provided in and subject to the same conditions set forth in section 35 of these regulations for note payments in wheat.

(d) Any tender of deposit, whether in wheat or cash, will be credited to the insured's account in terms of the wheat equivalent of the net proceeds of the sale of the wheat by the county committee, if wheat is tendered, or of the cash, if cash is tendered. This credit shall be made on the basis of the class and grade of wheat constituting the premium for the insurance contract with which the deposit is tendered. The wheat equivalent of such proceeds or cash, as the case may be, shall be determined by dividing such amount by an amount determined by subtracting the price differential from the price of wheat at the applicable basic market

for the applicable class and grade constituting the premium for the insurance contract with which the deposit is tendered. The price of such wheat at the basic market shall be the price, as determined by the Corporation, for the day on which the deposit is tendered.

SECTION 38. Application of deposits toward payment of notes.—The Corporation may apply any amount credited to an insured's account as a deposit toward payment of the amount due on any note of such insured. Where the amount of the deposit is to be applied toward payment of the note for an insurance contract covering a farm or farms for which the applicable price differential is different from that applicable for the farm or farms covered by the insurance contract with which the deposit was made, the insured may be charged or credited with an amount of wheat, as determined by the Corporation reflecting the difference between the price differential applicable at the place where the deposit was made and the price differential applicable for the farm or farms covered by the insurance contract for which the amount of deposit is being applied in payment of the note.

SECTION 39. Premium earned upon seeding.—Premiums shall be regarded as earned when the wheat is seeded.

PART IV

Refund of Note Payments and Deposits

SECTION 40. Computation of refunds; time of making refunds.—(a) Any refund of payments or deposits shall be made only in the cash equivalent of the quantity of wheat to be refunded, less an amount, fixed by the Corporation, to cover storage and handling expenses. In no case shall the amount to be deducted exceed $\frac{1}{2}\%$ of one cent per day per bushel. The period for which such deduction shall be computed shall commence with and include the day on which the note payment or deposit was tendered:

Provided, however, That if payments on the note for the insurance contract are made at different times, such payments shall be applied in the order in which tendered, and the refund shall be regarded as being made from the payment or payments tendered, starting with the last, any portion of which was not used in payment of the note, and each such payment or portion thereof not so used in payment of the note shall be considered as a separate payment for the purpose of determining the day for which such period shall commence. Such period shall end with and include the day on which payment of the refund is approved by the Corporation.

(b) No refund of a note payment shall be acted upon by the Corporation until the acreage seeded to wheat on all of the farms covered by the insurance contract has been determined. Except as may otherwise be provided by the Corporation, no claim for refund of a deposit shall be considered prior to the final date fixed by the Corporation for the receipt of applications for the 1943 Wheat Crop Insurance Program. Nothing in this subsection shall be construed to restrict the Corporation's right to refund any deposit or premium at such earlier date as it may determine.

(c) The cash equivalent of any refund of a deposit shall be determined by multiplying the amount to be refunded in terms of bushels of wheat of the class and grade constituting the premium for the insurance contract with respect to which the deposit was made by an amount determined by deducting the price differential applicable for the day the deposit was tendered from the applicable basic market price of such wheat at such time.

(d) The cash equivalent of any refund, other than a refund of a deposit, shall be determined by multiplying the amount to be refunded in terms of bushels of wheat of the class and grade constituting the premium for the insurance contract by an amount determined by deducting the price differential applicable for the day the payment was made from the applicable basic market price of such wheat at such time: *Pro-*

vided, however, That if payments on the note for the insurance contract are made at different times, such payments shall be applied in the order in which tendered, and the refund shall be regarded as being made from the payment or payments tendered, starting with the last, any portion of which was not used in payment of the note, and each such payment or portion thereof not so used in payment of the note shall be considered as a separate payment in the application of such formula for determining the amount of such refund.

(e) Any amount tendered in payment of the note in excess of the amount required as the premium for the insurance contract shall be refunded.

(f) No refund shall be made if the amount thereof is less than one bushel.

SECTION 41. Assignment or transfer of claims for refunds.—No claim for a refund, or any part or share thereof, or any interest therein, shall be assignable or transferable, notwithstanding any assignment of the insurance contract as security or any transfer of interest in any wheat crop covered by the insurance contract. Refund of any deposit will be made only to the depositor and refund of any other payment will be made only to the person who made such payment.

SECTION 42. Death, incompetency, or disappearance of person entitled to refund; change of fiduciaries.—In any case where a person who is entitled to a refund of a payment or deposit has died, has become incompetent, has disappeared leaving his whereabouts unknown for a period of 150 days from the date the Corporation determines that a refund is due, or has ceased to act as a fiduciary, such refund will be made to his legal representative or successor. If no such legal representative or successor has been appointed, or is otherwise legally qualified, and the quantity of wheat to be refunded before deduction of storage and handling expenses is less than 500 bushels, such refund may be made to any one or more of the persons beneficially entitled to share in such refund on

behalf of all the persons so entitled upon proof of the facts satisfactory to the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment of a refund may be made to a person other than the person who made the payment or tendered the deposit, as the case may be, shall be final and conclusive and payment in accordance with such determination shall constitute a complete discharge of the Corporation's obligation with respect to the refund.

PART V

Insured Production

SECTION 50. *Insured production.*—(a) The insured production for each farm covered by the insurance contract shall be the product of the number of acres of the wheat crop seeded not in excess of the maximum insurable acreage, the average yield, the insured percentage, and the insured's interest in the wheat crop, except as provided in paragraph (b) of this section.

(b) If (1) special practices, (2) different percentage interests in different parts of the wheat crop on the farm, or (3) one or more tracts comprising the farm varies widely from the remainder of the farm in soil type, topography, productive capacity, or risk of loss, for which separate average yields and premium rates are established, are accepted as the basis for insurance for any farm covered by the insurance contract, the insured production for each such farm shall be the sum of the totals of the insured production computed separately in accordance with the formula stated in paragraph (a) of this section for (1) each special practice, (2) each part of the wheat crop in which the applicant's percentage interest is different, or (3) each tract and for the remainder of the farm where one or more tracts comprising the farm varies widely from the remainder of the farm in soil type, topography, productive capacity, or risk of loss, for which separate average yields and premium rates have been established, as the case may be:

Provided, however, That if the total acreage seeded on such farm is in excess of the maximum insurable acreage, the number of acres used in computing the insured production for the farm in the case of items (1), (2), and (3) described above shall be the same percentage of the acreage seeded for each of items (1), (2), and (3) described above as the maximum insurable acreage for such farm is of the total acreage seeded on such farm.

PART VI

Determination of Loss

SECTION 60. *Notice during growing season.*—

(a) Immediately after the wheat crop, or any portion thereof, on any farm covered by the insurance contract has been transferred to another person, notice in writing thereof shall be given, on a form provided by the Corporation for that purpose, to the Corporation at the office of the county committee for the county in which such farm is located.

(b) Immediately after material damage to the wheat crop, or any portion thereof, on any farm covered by the insurance contract, the insured, if he wishes to dispose of such crop, or portion thereof, or to make some other use of the land seeded to such crop, or portion thereof, other than for the production of wheat, shall give notice thereof, in writing, on a form provided by the Corporation for that purpose, to the Corporation at the office of the county committee for the county in which such farm is located, containing such information as may reasonably be required regarding the damaged crop. The Corporation may make an investigation of any such wheat crop where it appears that the reported damage may be of such a nature as to result in a loss for such farm under the insurance contract. The Corporation shall have a reasonable period after receipt of such notice in which to investigate the condition of such wheat crop and appraise the yield of such crop, or portion thereof. Proper measures shall be taken to protect the

crop from further damage until threshing, unless the Corporation gives its permission to devote the acreage seeded to wheat to some other use. No acreage seeded to wheat shall be considered as put to another use as long as there is any wheat on such acreage remaining for harvest. In no event shall there be any abandonment of any crop or portion thereof to the Corporation.

(c) If the insured wishes to dispose of the portion of the crop in excess of the maximum insurable acreage, where the farm is classified as a nonwheat allotment farm under the 1942 Agricultural Conservation Program, the insured shall give notice thereof, in writing, on a form prescribed by the Corporation for that purpose, to the Corporation at the office of the county committee for the county in which the farm is located. If the insured desires to pasture off, cut for hay, or use for soil conservation purposes, before maturity, all or a portion of the wheat crop on any farm covered by the insurance contract, he shall give notice thereof in the manner set forth in this paragraph. The Corporation shall have a reasonable period after receipt of such notice to investigate the condition of the wheat crop and such portion thereof.

SECTION 61. Notice before harvest, removal, transfer, or other use.—(a) Notwithstanding any other notice given as required by the insurance contract, if it is probable that there will be a loss for any farm covered by such insurance contract, notice in writing of the intention to harvest, remove, transfer, or make other use of the wheat crop, or portion thereof, on such farm, shall be given to the Corporation, at the office of the county committee in which the farm or farms covered by such contract are located, in time to give the Corporation reasonable opportunity to inspect such wheat crop before such harvest, removal, transfer, or other use.

SECTION 62. Time of loss.—Loss, with respect to the wheat crop on any farm covered by the insurance contract, shall be deemed to have

occurred at the time of completion of threshing of such crop (unless combined, field-sacked, and remaining in the field, in which event the loss shall be deemed to have occurred 120 hours thereafter) or October 31, 1942, whichever occurs first, unless the Corporation determines that total or substantially total destruction of the wheat crop occurred earlier, in which event the loss shall be deemed to have occurred on the date so determined by the Corporation. The wheat crop shall be deemed to have been substantially totally destroyed if the Corporation finds that it has been so badly damaged that the farmers generally in the area where the farm is located would not further care for the crop for wheat production.

SECTION 63. Proof of loss.—If a loss is claimed with respect to any farm covered by the insurance contract, the insured shall submit to the Corporation, at the office of the county committee for the county in which the farm or farms covered by the insurance contract are located, on a form provided by the Corporation for that purpose, a statement in proof of loss for such farm, containing such information as may reasonably be required regarding the wheat crop on such farm. Such statement in proof of loss shall be submitted not later than thirty days after threshing, but in no event later than November 15, 1942, unless such time is extended in writing by the Corporation. It shall be a condition precedent to any liability under the insurance contract that the insured establish that any loss for which claim is made has been directly caused by a hazard insured against by the insurance contract during the term of the contract, and that the insured further establish that such loss has not arisen from or been caused by, either directly or indirectly, any of the hazards not insured against by the insurance contract.

SECTION 64. Amount of loss.—The amount of loss for which indemnity will be paid with respect to any farm covered by the insurance contract shall be the amount by which the total production of wheat for such farm, multiplied

by the percentage representing the insured's interest in the wheat crop on such farm, or portion thereof, is less than the insured production for such farm. Such total production, for the purpose of determining the amount of loss, shall include:

1. Wheat produced from any acreage of the wheat crop which was threshed;
2. Wheat production appraised from any acreage of the wheat crop which was not threshed, but which was otherwise harvested as grain;
3. Wheat production appraised from any acreage of the wheat crop which was not harvested as grain, was not threshed, but which, after maturity, was left standing in the field;
4. Wheat production appraised from any acreage of the wheat crop which was totally or substantially totally destroyed and put to another use with the consent of the Corporation;
5. For the acreage of the wheat crop in excess of the maximum insurable acreage on farms classified as non-wheat allotment farms under the 1942 Agricultural Conservation Program which is disposed of with the consent of the Corporation and on which the appraised yield per acre is greater than the appraised yield per acre for the remaining acreage of the wheat crop, a number of bushels equal to the product of (1) such acreage disposed of, (2) the quantity of wheat by which the appraised yield per acre for such acreage is greater than the appraised yield per acre for the remaining acreage of the wheat crop, and (3) the insured percentage. No adjustment shall be made if the appraised yield per acre of the acreage disposed of is not greater than the appraised yield per acre for such remaining acreage of the wheat crop;
6. For the acreage of the wheat crop which was not reseeded in areas and under circumstances where it is customary to reseed, a number of bushels equal to the quantity of wheat by which the actual production for such acreage is less than the product of (1) such acreage, (2) the average yield, and (3) the insured percentage;
7. For the acreage of the wheat crop which before maturity is pastured off, cut for hay, or used for soil conservation purposes, with the consent of the Corporation, a number of bushels equal to the product of (1) such acreage, (2) the appraised yield per acre for such acreage, and (3) the insured percentage;
8. For the acreage of the wheat crop which was a complete failure in yield due to causes not insured against, or because the land or crop was put to some other land use or crop use without the consent of the Corporation, a number of bushels equal to the appraised reduction in production due to such causes or due to the land or crop being put to another use without consent of the Corporation. In no event shall such appraised reduction in production be less than the product of (1) such acreage, (2) the average yield, and (3) the insured percentage;
9. For the acreage of the wheat crop which has been damaged by reason of causes not insured against, or which has been damaged or destroyed by reason of causes insured against and causes not insured against, a number of bushels equal to the appraised reduction in production due to causes not insured against;
10. For the acreage of the wheat crop seeded on land of poorer average

- quality for the production of wheat than the average quality of the land seeded to wheat on the farm during the base period, where such seeding is not the result of a regularly established rotation, a number of bushels equal to the product of (1) such acreage, (2) the insured percentage, and (3) a quantity of wheat representing the difference between the average yield and the yield per acre appraised on the basis of the quality of land so seeded. This adjustment shall be made notwithstanding that damage or total destruction of the insured crop occurs by reason of any other cause;
11. For the acreage of the wheat crop for which the risk to the Corporation has been increased by reason of the seeding of a different class of wheat than the class of wheat considered in establishing the average yield, a number of bushels equal to the product of (1) such acreage, (2) the insured percentage, and (3) a quantity of wheat representing the difference between the average yield and the yield per acre appraised on the basis of the class of wheat seeded. This adjustment shall be made notwithstanding that damage or total destruction of the insured crop occurs by reason of any other cause;
12. For the acreage of the wheat crop for which the risk to the Corporation has been increased by reason of following different fertilizer or farming practices than those considered in establishing the average yield, a number of bushels equal to the product of (1) such acreage, (2) the insured percentage, and (3) a quantity of wheat representing the difference between the average yield and the yield per acre appraised on the basis of the fertilizer or farming practices followed. This adjustment shall be made notwithstanding that damage or total destruction of the insured crop occurs by reason of any other cause;
13. For the acreage of the wheat crop which is insured on the basis of irrigation (except where irrigated and nonirrigated yields have been established for the farm) and on which the necessary irrigation water was not applied or was not applied at the proper time or in the proper manner, a number of bushels equal to the appraised reduction in production due to any such cause. This adjustment shall be made notwithstanding that damage or total destruction of the insured crop occurs by reason of any other cause. No adjustment shall be made if no water was available for irrigation purposes on the farm, or if the amount of irrigation water available was insufficient, due to unavoidable causes, for all the irrigated crops and the amount of water available was distributed among the irrigated crops so that as large a proportion of the acreage in the wheat crop was protected by irrigation water as the acreage of other crops under irrigation on the farm;
14. For the acreage of the wheat crop or portion thereof in which the insured's interest has changed by reason of one or more transfers of interest as provided in paragraph (b) of section 81 of these regulations and for which the Corporation determines that such transfers were made, after the time that substantial damage occurred to such wheat crop or portion thereof, for the purpose of procuring a greater amount of indemnity than would

have been payable for the farm had such transfers not taken place, a number of bushels, as determined by the Corporation, to the extent that the number of bushels for which the Corporation will be liable as an indemnity for the farm shall not exceed the number of bushels that would have been payable had such transfers not taken place.

SECTION 65. Records; access to the farm.—The insured shall keep, or cause to be kept, records of the harvesting, threshing, storage, shipment, sale, or other disposition of all wheat produced on the farm or farms covered by the insurance contract which will be made available for examination by the Corporation, and he shall cooperate with the county committee in the establishment of data with respect to the production of wheat on such farm or farms. As often as may reasonably be required, any person or persons designated by the Corporation will have access to the farm or farms covered by the insurance contract.

PART VII

Time and Manner of Payment of Indemnity

SECTION 70. When indemnity payable.—The amount of loss for which the Corporation may be liable with respect to any farm covered by the insurance contract shall be payable within 30 days after satisfactory proof of loss is approved by the Corporation. Notwithstanding the fact that payment of any indemnity is delayed for any reason beyond the time specified, the Corporation shall not be liable for interest or damages on account of such delay.

SECTION 71. Manner of payment of indemnity.—The indemnity with respect to any farm covered by the insurance contract shall be paid by the issuance by the Corporation of a certificate of indemnity to the insured indicating the number of bushels of indemnity due.

This certificate of indemnity may be used to obtain—

1. The cash equivalent of the indemnity;
2. A loan, if loans are made available by the Commodity Credit Corporation with respect to the 1942 wheat crop; or

3. A warehouse receipt, if wheat is available.

SECTION 72. (a) The insured may obtain the cash equivalent of the indemnity by executing the certificate of indemnity and forwarding such certificate to the appropriate branch office of the Corporation. The cash equivalent shall be determined by multiplying the number of bushels of wheat due as indemnity, of the applicable class and grade constituting the premium for the insurance contract, by an amount determined by subtracting the price differential from the price of such wheat at the applicable basic market. The price of such wheat at the basic market shall be the price, as determined by the Corporation, for the day on which the certificate of indemnity is received in the appropriate branch office of the Corporation or the date of expiration of the certificate of indemnity, whichever is earlier. In addition to the price differential, a deduction from such price of wheat shall be made, of an amount per bushel, based on the length of time elapsing between the date of approval of the statement in proof of loss and the date the price used for computing the cash equivalent is established. Such deduction shall be at the rate of one-half ($\frac{1}{2}$) cent per bushel for each fifteen (15) day period or fraction thereof after the first fourteen (14) days which shall be free. The period for computing this deduction shall begin with the day on which the statement in proof of loss is approved by the Corporation and shall end with and include the day on which the price used in computing the cash equivalent is based.

(b) A loan may be obtained by the insured on the basis of the certificate of indemnity (if loans are made available by the Commodity Credit Corporation with respect to the 1942

wheat crop) in accordance with instructions issued by the Commodity Credit Corporation. If, at any time during the period of the loan, the insured elects to liquidate such loan by the establishment of the cash equivalent of the indemnity, he shall execute the form prescribed by the Corporation and forward such form to the appropriate branch office of the Corporation. The cash equivalent of the indemnity shall be established on the basis of the prices in effect on the date that the request of the insured is received in the appropriate branch office of the Corporation. The amount of the cash equivalent shall be computed in the same manner as is provided in paragraph (a) of this section. If the amount of the cash equivalent is not sufficient to liquidate the loan and charges in connection therewith, the Corporation shall notify the insured of such fact.

(c) A warehouse receipt may be obtained by the insured on the basis of the certificate of indemnity, if the Corporation determines that wheat is available for making such settlement. Where the settlement is made in wheat, payment shall be made in the form of a warehouse receipt representing flat wheat (wheat which has no transit privileges) for the number of bushels approved by the Corporation as the amount of loss or of such portion thereof as the insured may request, and of the applicable class and grade constituting the premium for the insurance contract, or its equivalent in wheat of any other class, grade, or quality, as determined by the Corporation. However, in any case where the settlement or any portion thereof is made in wheat, a deduction will be made from the indemnity payment of a number of bushels representing the deduction that would have been made under paragraph (a) of this section had the settlement been made in the cash equivalent. In the event only a portion of the settlement is made in wheat, payment of the balance of such settlement will be effected by the issuance to the insured of a new certificate of indemnity representing such balance. Settlements under this subsection will be made only if

the request of the insured is received by the Corporation prior to the expiration date of the certificate of indemnity.

(d) The expiration date of the certificate of indemnity shall be fifteen (15) days after the final date established for obtaining wheat loans with respect to the 1942 wheat crop if such loans are made available by the Commodity Credit Corporation, or ninety (90) days after the date of issuance of the certificate of indemnity, whichever is later. If any of these dates fall on other than a business day, the date of the next following business day shall apply.

(e) Any indemnity payable under the insurance contract shall be subject to deduction for any amount remaining unpaid on the note for the insurance contract.

(f) The certificate of indemnity shall not be assignable except as otherwise provided in paragraph (b) of this section.

SECTION 73. Adjustments in connection with indemnity payments.—In any case where a certificate of indemnity has been issued or settlement under the certificate of indemnity has been made by the Corporation and an adjustment in the amount of indemnity is made for such case, the adjustment shall be made on the same terms and as of the same date as the original settlement except that if settlement has been made under the certificate of indemnity such adjustment shall be made on the basis of the cash equivalent applicable to such settlement, computed in the manner provided in section 72 of these regulations, whether or not the settlement was made in wheat or in the cash equivalent thereof.

PART VIII

Change of Insured's Interest

SECTION 80. Termination of insured's interest.—(a) If, prior to the time of loss, the insured's interest in the wheat crop or portion thereof on any farm covered by the insurance contract has been terminated for any reason, the indemnity, if any is payable with respect

to such farm, shall be paid to the person or persons having such interest at the time of loss, subject to all the provisions of the insurance contract including any collateral assignment of the insurance contract and the right of the Corporation to deduct from any indemnity the amount remaining unpaid on the note for such insurance contract.

(b) The insured's interest shall not be deemed to have been terminated by virtue of the imposition of a lien, whether by voluntary action or process of law, upon the wheat crop, or by the appointment of a receiver or moratorium officer with respect to such wheat crop, the commencement of bankruptcy proceedings, or proceedings for the foreclosure of a lien. The insured shall be deemed to have an interest in the wheat crop so long as he has any right of redemption therein.

SECTION 81. Transfers of interest.—(a) In the event that an insured percentage interest in the entire crop is transferred by the insured prior to the time of loss, the person or persons having such interest in the crop at the time of loss shall be entitled to receive any indemnity otherwise payable with respect to the interest in the crop transferred.

(b) In the case of a transfer prior to the time of loss by the insured of all or a portion of his percentage interest in a portion of the wheat acreage constituting the wheat crop, each person having an interest in such wheat crop shall be entitled to the benefit of the insurance contract as his interest appears and shall submit a separate statement in proof of loss for each portion of the wheat acreage in which he has an interest but for which his percentage interest is different. The amount of loss, for each such portion of the wheat acreage, shall be determined as provided in section 64 of these regulations, except that the total production of wheat for each such portion of the wheat acreage shall be determined on the basis of such acreage instead of the entire wheat crop, and the insured production shall be computed for such acreage as the product of such acreage, the average yield approved by the Corporation for the farm

of which such acreage is a part, the insured percentage, and the percentage interest of the insured or transferee, as the case may be, in such acreage.

SECTION 82. Collateral assignment of insurance contract.—An insurance contract may be assigned as collateral security for a current loan, current advances to assist in the making of a wheat crop, the amount of the current year's rental due under a leasing agreement with respect to the farm or farms upon which the wheat crop is or will be seeded, or the amount of the current annual installment due under a purchase, mortgage, or trust agreement covering the purchase of the farm or farms upon which the wheat crop is or will be seeded and an additional amount of any delinquency which may be due under the purchase, mortgage, or trust agreement of not to exceed the amount of the current annual installment including interest and taxes. Such assignment shall be made by the execution of a form prescribed by the Corporation, and, upon approval thereof by the Corporation, the interests of the assignee will be recognized in the event of the payment of an indemnity under the insurance contract to the extent of the unpaid balance of the amount (including interest and other charges) for which such assignment was made as collateral security: *Provided, however,* That (1) the Corporation, in payment of the indemnity, may issue a check payable jointly to all persons entitled thereto and that such payment shall constitute a complete discharge of the Corporation's obligation with respect to such loss under the insurance contract; and (2) payment of any indemnity will be subject to all conditions and provisions of the insurance contract including the right of the Corporation to deduct from any indemnity the amount remaining unpaid on the note for such insurance contract. The Corporation's approval of an assignment shall not create in the assignee any right other than that derived from the assignor. The Corporation shall in no case be bound to accept notice of any assignment of the insurance contract,

and nothing therein contained shall give any right against the Corporation to any person other than the insured except to an assignee approved by the Corporation. Only one such assignment will be recognized in connection with the insurance contract, but if an assignment is released, a new assignment of the contract may be made.

SECTION 83. Death, incompetency, or disappearance of the insured.—(a) Death.

(1) Before loss with administration: If the insured dies before the time of loss, and his interest in the wheat crop or crops forms part of his estate, payment of any indemnity and settlement under the certificate of indemnity will be made to the duly appointed representative of his estate.

(2) After loss with administration: If the insured dies after the time of loss, payment of any indemnity and settlement under the certificate of indemnity on account of such loss will be made to the duly appointed representative of his estate.

(3) Before loss without administration: If the insured dies before the time of loss and no legal representative of his estate is appointed or is otherwise legally qualified, payment of any indemnity and settlement under the certificate of indemnity may be made after the expiration of 30 days from the date of death to any one or more of the persons beneficially entitled to share in the insured's interest in the crop in behalf of all the persons so entitled. Payment of the indemnity and settlement under the certificate of indemnity will be made under the provisions of this subsection only if the amount of the indemnity for any farm is less than 500 bushels and upon the submission of proof satisfactory to the Corporation that the insured's interest in the crop is part of his estate.

(4) After loss without administration: If the insured dies after the time of loss and no legal representative of his estate is appointed or is otherwise legally qualified, then, subject to the conditions outlined in paragraph (a) (3) of this section 83, payment of any indemnity and

settlement under the certificate of indemnity on account of such loss may be made after expiration of 30 days from the date of death to any one or more of the persons beneficially entitled to share in the insured's interest in the crop in behalf of all the persons so entitled.

(b) Incompetency.

(1) Before loss: If, before the time of loss the insured is judicially declared incompetent to manage his affairs, or his incompetency is otherwise established to the satisfaction of the Corporation, and his interest in the crop remains part of his estate, payment of any indemnity and settlement under the certificate of indemnity will be made to the guardian, or other legally constituted representative of his estate appointed by a court of competent jurisdiction, or who is otherwise legally qualified. In such case if no guardian or other legal representative of the insured's estate is appointed, or is otherwise legally qualified and the amount of the indemnity for any farm is less than 500 bushels, payment of such indemnity and settlement under the certificate of indemnity may be made to a member of his family standing in the position of a voluntary guardian upon presentation of proof satisfactory to the Corporation that the indemnity is needed and is to be used for the purchase of necessities for the incompetent, or for his wife or minor children or other persons dependent upon him for support. If the insured's interest in the crop is terminated by reason of his incompetency, any relative by blood or connection by marriage of the insured who succeeds to such interest, but no other person, shall be entitled to the benefit of the insurance contract.

(2) After loss: If, after the time of loss, the insured is judicially declared incompetent to manage his affairs, or his incompetency is otherwise established to the satisfaction of the Corporation, payment of any indemnity and settlement under the certificate of indemnity will be made to the guardian or other legally constituted representative of his estate appointed by a court of competent jurisdiction or who is

otherwise legally qualified. If there be no such guardian or other legal representative, and the amount of the indemnity for any farm is less than 500 bushels, payment of such indemnity and settlement under the certificate of indemnity may be made to a member of the insured's family standing in a position of voluntary guardian upon presentation of proof satisfactory to the Corporation that the indemnity is needed and is to be used for the purchase of necessities for the incompetent, or his wife or minor children or other persons dependent upon him for support.

(c) Disappearance.

(1) Before loss: If, before the time of loss, the insured disappears and such insured's interest in the crop covered by the insurance contract is not terminated thereby, payment of any indemnity and settlement under the certificate of indemnity will be made to the conservator or other legally qualified representative of his estate. If there be no such conservator or other legal representative, and the amount of the indemnity for any farm is less than 500 bushels, payment of such indemnity and settlement under the certificate of indemnity may be made to any member of the insured's family upon presentation of proof satisfactory to the Corporation that the indemnity is needed and is to be used for the purchase of necessities for the insured's wife or minor children or other persons dependent upon him for support. If the insured's interest in the crop is terminated by reason of his disappearance, any relative by blood or connection by marriage of the insured who succeeds to his interest in the crop, but no other person, shall be entitled to the benefit of the insurance contract.

(2) After loss: If, after the time of loss, the insured disappears, payment of any indemnity and settlement under the certificate of indemnity will be made to the conservator or other legally qualified representative of his estate, but if there be no such conservator or other legal representative and the amount of the indemnity for any farm is less than 500 bushels, payment

of the indemnity and settlement under the certificate of indemnity may be made to a member of the insured's family upon presentation of proof satisfactory to the Corporation that the indemnity is needed and is to be used for the purchase of necessities for the insured's wife or minor children or other persons dependent upon him for support.

(3) Definition of disappearance: An insured shall be deemed to have disappeared within the meaning of this section if he leaves the farm or farms covered by the insurance contract and his whereabouts have been unknown for a period of 150 days.

(d) Indemnity payment or settlement under the certificate of indemnity amounting to 500 bushels or more.

If the insured dies, becomes incompetent or disappears and his interest in the crop remains part of his estate, payment of the indemnity and settlement under the certificate of indemnity for any farm amounting to 500 bushels or more will be made only to his legal representative.

SECTION 84. *Fiduciaries.*—Any indemnity payable under an insurance contract entered into in the name of a fiduciary who is no longer acting in such capacity at the time for the payment of indemnity and settlement under the certificate of indemnity will be made to the succeeding fiduciary upon appropriate application and proof satisfactory to the Corporation of his incumbency. In the event that there is no succeeding fiduciary, payment of the indemnity and settlement under the certificate of indemnity shall be made to the persons beneficially entitled to the interest in the insured crop to the extent of their respective interests upon proper application and proof of the facts: *Provided, however,* That the loss may be adjusted with any one or more persons so entitled, and payment may be made to such person or persons in behalf of all the persons so entitled, whether or not the person to whom payment is made has been authorized to receive such payment by the other persons so entitled.

SECTION 85. Creditors.—An interest existing by virtue of a debt, lien, mortgage, garnishment, levy, execution, bankruptcy, or any other legal process shall not be considered an interest in an insured crop within the meaning of these regulations.

Any indemnity payable under an insurance contract shall be paid to and settlement under the certificate of indemnity made to, the insured, or to such other person as may be entitled to the benefits of the insurance contract under the provisions of these regulations, notwithstanding any attachment, garnishment, receivership, trustee process, judgment, levy, execution, lien, mortgage, foreclosure, order, decree, or similar process of law, equity, or bankruptcy directed against the insured or such other person, or against any indemnity alleged to be due to such person, nor shall the Corporation or any officer, employee, or representative thereof be a proper party to any suit or action with reference to such indemnity or the proceeds thereof nor be bound by any judgment, order, or decree rendered or entered therein. No officer, agent, or employee of the Corporation shall pay, or cause to be paid, to any person other than the insured or other person entitled to the benefits of the insurance contract, any indemnity payable and settlement under any certificate of indemnity in accordance with the provisions of the insurance contract because of any such process, order, or decree. Nothing herein contained shall excuse any person entitled to the benefits of the insurance contract from full compliance with, or performance of, any lawful judgment, order, or decree with respect to the disposition of any sums paid thereunder as an indemnity.

SECTION 86. Determination of person to whom indemnity shall be paid.—In any case where the insured has transferred his interest in all or a portion of the wheat crop on any farm, has died, has become incompetent, has disappeared, or has ceased to act as a fiduciary, payment in accordance with the provisions of these regulations will be made only after the facts have been

established to the satisfaction of the Corporation. The determination of the Corporation as to the existence or nonexistence of a circumstance in the event of which payment may be made to a person other than the named insured and of the person to whom such payment shall be made shall be final and conclusive. Payment of any indemnity and settlement under any certificate of indemnity in accordance with an adjustment of loss made with such person shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid and settled and shall be a bar to recovery by any other person.

SECTION 87. Payment conditioned upon compliance with provisions of the insurance contract.—Payment of any indemnity and settlement under any certificate of indemnity, whether to the applicant or any other person determined by the Corporation to be entitled to such indemnity in accordance with the provisions of these regulations, will be made only upon full compliance with all the provisions of the contract, including the warranties and provisions relating to notice and proof of loss. Any indemnity payable under the insurance contract shall be subject to deduction for any amount remaining unpaid on the note for the insurance contract.

PART IX

Miscellaneous

SECTION 90. Gender and plural meaning of terms.—Any term used in the masculine or in the singular shall also be construed or applied in the feminine or neuter gender, or in the plural person, wherever the context or application of such term so requires.

SECTION 91. Fractional units in acres and yields.—Fractions of yields per acre and loss costs shall be rounded to the nearest tenth of a bushel. Fractions of premium rates shall be rounded to the nearest hundredth of a bushel. Fractions of bushels, other than yields per acre, loss costs, and premium rates, shall be rounded

to the nearest bushel. Fractions of acres representing total acres of wheat shall be rounded to the nearest tenth of an acre. Computations shall be carried to one digit beyond the digit that is to be rounded. If the extra digit computed is 1, 2, 3, or 4, the rounding shall be downward. If the extra digit computed is 6, 7, 8, or 9, the rounding shall be upward. If the extra digit computed is 5, the computation shall be carried to another digit. If the two extra digits are 50, the rounding shall be downward, and if the two extra digits are 51 or any higher figure, the rounding shall be upward.

SECTION 92. *Other insurance.*—If the insured has or acquires any other “all-risk” insurance against substantially all the risks that are insured against under the insurance contract on the wheat crop or portion thereof covered in whole or in part by such insurance contract, whether valid or not, or whether collectible or not, the liability of the Corporation shall not be greater than its share would be if the amount of its obligation were divided equally between the Corporation and such other insurer or insurers.

SECTION 93. *Subrogation.*—The Corporation may require from the insured an assignment of all rights of recovery against any party for loss or damage to the extent that payment therefor is made by the Corporation, and the insured shall execute all papers required and shall do everything that may be necessary to secure such rights.

SECTION 94. *Suit.*—No suit or action shall be brought to enforce any claim for loss under the insurance contract unless all the requirements of such contract shall have been complied with.

SECTION 95. *Restriction on purchase and sale of wheat.*—The restriction on the purchase and sale of wheat, as provided in Section 508 (d) of the Federal Crop Insurance Act, as amended, reads as follows:

“Insofar as practicable, the Corporation shall purchase wheat only at the rate and to a total amount equal to the payment of premiums in cash by farmers or to replace promptly wheat sold to prevent deterioration; and shall sell wheat only to the extent necessary to cover payments of indemnities and to prevent deterioration: *Provided, however,* That nothing in this section shall prevent prompt offset purchases and sales of wheat for convenience in handling. Nothing in this section shall prevent the Corporation from accepting, for the payment of premiums, notes payable in the commodity insured, or the cash equivalent, upon such security as may be determined pursuant to subsection (b) of this section, and from purchasing the quantity of the commodity represented by any of such notes not paid at maturity.”

SECTION 96. *Review of determinations of county committees.*—All determinations by county committees shall be subject to review and approval or revision by duly authorized representatives of the Corporation.



